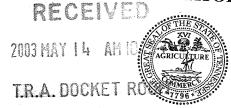
TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman Deborah Taylor Tate, Director Pat Miller, Director Ron Jones, Director



460 James Robertson Parkway Nashville, Tennessee 37243-0505

May 13, 2003

Mr. Charles Pickney On-Site Systems, Inc. 7638 River Road Pike Nashville, TN 37209-5733

RE: Dkt. # 03-00329 - Petition to amend Certificate of Convenience and Necessity

Dear Mr. Pickney:

After reviewing your petition we have discovered that certain information is needed to complete the application. Please provide the following information.

- 1. A rate of \$35.11 is indicated in the petition for residential service. Will this rate be same no matter what type of system is used (sand gravel or lagoon) within the proposed service area?
- 2. Is there an immediate need for service now in the proposed service areas? Has anyone applied for service to be supplied by On-Site Systems now? If so, where exactly are they located within the proposed service territory?
- 3. Provide an explanation as to why it is the public interest that On-Site be granted the proposed service territory within Sevier County?
- 4. Have all of the other incorporated areas of Sevier County, besides City of Pigeon Forge and Sevier County, been contacted about providing service to the proposed service territory? If so, provide documentation that these entities have been contacted concerning the expansion of your wastewater system.
- 5. Have all of the utility districts within the proposed service territory been notified of your intent to provide wastewater service?
- 6. Has the county planning commission been notified of your intent to provide wastewater service to proposed service territory? If so, provide written documentation that they have been contacted.

Please respond by May 27, 2003. Thank you for your attention to this matter. If you should have any questions, you may contact Butch Phillips at (615) 741-2904, ext. 183.

Sincerely,

Mike Gaines

Chief

Energy and Water Division

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